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Country and intercountry programming and projects

# COUNTRY PROGRAMME OF THE GOVERNMENT OF BRAZIL

Note by the Administrator

| Programme period | IPF endorsed in principle for 1977-1981 |
|---|---|
| 1977-1981 | $ 30 million 1/ |

## I. Nature of the programming exercise

1. The 1977-1981 country Programme was formulated by the Secretariat of International Technical and Economic Co-operation (SUBIN) of the Presidency of the Republic, and the Division of Technical Co-operation at the Ministry of Foreign Affairs, with the close collaboration of the UNDP field office.

2. During the country programming exercise, an in-depth evaluation of the first country programme was carried out and the Government decided to define its priorities and objectives within an integrated programme approach. Full responsibility was assumed by the Brazilian authorities for the co-ordination

1/ Endorsed in principle by the Governing Council at its twenty-first session. The Council will consider a final decision on IPFs at its twenty-second session.

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of all external assistance programmes, and special attention was given to linking other multilateral and bilateral programmes with the present country programme.

## II. Relation of the country programme to the development plan of the Government

3. A close interrelation exists between the 1977-1981 country programme and the Second National Development Plan for 1975-1979 which has among its objectives to: increase the growth rate of the economy together with a corresponding increment in employment opportunities, reduce the present rate of inflation and the pressures on the balance of payments, improve income distribution patterns and promote social stability, and achieve effective management of natural resources while preserving the ecological balance.

4. The 1975-1979 Plan contemplates specific strategies to promote social development by applying combined wage and employment measures, to achieve industrial growth through the increase in exports of capital and manufactured goods, to increase the contribution of the agricultural sector to the GNP through the rationalization of land use and the modernization of production processes, to promote regional development by applying adequate migration policies, and to develop the application of science and technology for the productive and social sectors.

5. In accordance with the previously noted policy objectives and sectoral strategies, the UNDP country programme is oriented towards:

- Scientific and technological projects or projects involving the training of high-level human resources;
- Transfer of know-how and technology, maximizing the expert and training components in each project and minimizing the equipment component;
- The creation of the national capacity to solve the specific problems arising out of the projects and all related problems;
- The role as a catalytic agent to stimulate optimum utilization of national resources;
- Complementarity and interdependence between the projects in the programme to present a comprehensive and co-ordinated plan; and
- The encouragement of inter-country co-operation, i.e. sharing of technological experience and know-how with other developing nations.

## III. Content of the country programme

6. The evaluation of the 1972-1976 country programme had drawn conclusions for the present programme which ensures its conformity with national development objectives and provides a high degree of complementarity and interdependence among its 62 projects. Thus, the three sectors where UNDP assistance is concentrated include training and education projects in fields such as agriculture, engineering and nuclear energy.

7. During the programming exercise, technical assistance requirements were identified well in excess of the IPF resources of $30 million. For this reason, it has been exceptionally agreed that the Government will make a special contribution to the programme equivalent to $12 million, in annual payments, over and above the normal counterpart contribution to individual projects. It has also been agreed that UNDP will accept this special Government contribution in local currency up to the amounts which are readily usable by UNDP for normal project operation. The cruzeiro equivalent of $12 million will be paid to and administered by UNDP as if they were in readily usable currencies; to this end, the Brazilian Government has undertaken to cover any exchange fluctuations affecting the payment, by establishing the corresponding amount in convertible currency at the buying rate prevailing on the date of payment (see page 23, second paragraph of DP/GC/BRA/R.2). The Government of Brazil considers this special contribution as an indication of the interest it attributes to UNDP co-operation. The Government has also assured the Administrator that it will maintain its present support to UNDP general resources and it will continue to consider, with the same goodwill as in the past, the increase of its annual pledges. The present voluntary contribution will continue to be made in convertible currency. In addition, the Brazilian authorities are giving careful consideration to a significant increase in the financial programme support provided to the UNDP field office.

Table 1

Sectoral Breakdown of Programmed Resources

| SECTOR | On-going projects | | Identified new projects | | Other objectives and activities for which projects have not yet been identified | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Value ($'000) | Per cent | Value ($'000) | Per cent | Value ($'000) | Per cent | Value ($'000) | Per cent |
| Education/ human resources | 1 295.8 | 7 | 4 621.0 | 25 | - | - | 5 916.8 | 14 |
| Agriculture | 1 253.0 | 6 | 1 081.4 | 6 | - | - | 2 334.4 | 6 |
| Science and technology | 16 884.5 | 87 | 12 429.0 | 69 | - | - | 29 548.7 | 70 |
| Reserve | | | | | 4 200.1 | 100 | 4 200.1 | 10 |
| Total programmed | 19 433.3 | 100 | 18 131.4 | 100 | 4 200.1 | 100 | 42 000.0 | 100 |

8. The tentative 1977-1981 IPF for Brazil, as for all other countries receiving UNDP assistance, is based upon the assumption of an aggregate resources base which will increase progressively over those five years, i.e. being smaller in the first years of the cycle. On the basis of present information, it is unlikely that available resources will permit an expenditure phasing as envisaged in table 2 below and the Resident Representative has so informed the Government. Any necessary adjustments to bring the phasing of planned expenditure into greater conformity with the phasing of available resources will be made in due course, in consultation with the Government.

## Table 2

## Phasing of the Country Programme

A. Amounts programmed

| Year | $'000 |
|---|---|
| 1977 | 12 690.0 |
| 1978 | 13 680.5 |
| 1979 | 6 686.3 |
| 1980 | 3 453.5 |
| 1981 | 1 289.6 |
| Reserve | 4 200.1 |
| Total | 42 000.0 |

B. Resources Taken into Account for Programming

| | $'000 |
|---|---|
| Resources available: | |
| (a) IPF resources available for programming | 30 000 |
| (b) Other resources (Government special contribution) | 12 000 |
| Total resources taken into account for programming: a/ | 42 000 |

a/ May be increased/decreased by the amount of under-expenditure/over-expenditure in 1972-1976 of the IPF for that period.

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## IV. Recommendation of the Administrator

9. In the light of the views expressed above, the Administrator recommends that the Governing Council:

(a) Approve the proposed UNDP country programme for Brazil for the duration of its programme period within the limits of its IPF for 1977-1981, to be approved later, taking into account the balance of over-expenditure or under-expenditure of its IPF for 1972-1976; and

(b) Authorize the Administrator to proceed with appraisal and approval action on requests for assistance falling within the outlines of the country programme while ensuring, in accordance with the decision of the Governing Council at its eighteenth session (E/5543/Rev.1, paragraph 31), that expenditures are kept in reasonable conformity with the relevant IPFs and are contained within the financial resources available at any given time.

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